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SIPDIS

DEPARTMENT FOR NEA/FO, NEA/ELA AND DRL/NESCA
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SUBJECT: ACTIVISTS PRESENT DIFFERING VIEWS ON REFORM

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1C. 06 CAIRO 7251

Classified By: Ambassador Margaret Scobey for reason 1.4 (d).

11. (C) Summary: Visiting NEA PDAS Jeffrey Feltman met October 26 with political activists to discuss the current state of reform in Egypt, and opportunities for the U.S. to promote democracy. The activists mostly agreed that the current climate in Egypt is disappointing, citing income disparities, corruption, and the absence of democratic institutions. Democratic Front Party President Osama Al-Ghazali Harb warned of chaos following President Mubarak's departure, and predicted the military would need to intervene. Founder of the independent newspaper "Al-Masry Al-Youm," Hisham Kassem, called for developing democratic institutions in preparation for the post-Mubarak transition. Engi Haddad of the Africa-Egypt Human Rights Organization asserted that endemic corruption stymies reform. In contrast to the others, Ghad Party Vice-President Wael Nawara claimed that political and economic conditions have recently improved, and was sanguine about the country's future stability. He urged the U.S. to "rebuild its leverage" to more effectively encourage GOE reform. Editor of the Al-Ahram Journal "Democracy Review," Hala Mustafa, opined that the GOE is trying to constrict political space to prepare for presidential son Gamal Mubarak to succeed his father. PDAS Feltman stressed that the U.S. wants both a strategic partnership with the GOE and a more open political and economic climate in Egypt. End summary.

12. (C) Democratic Front Party President Osama Al-Ghazali Harb emphasized the importance of internal developments in Egypt to the broader region. He asserted that the current deterioration in Egyptian culture, education, health care and economic equality is "the worst in the past 200 years." According to Harb, 50 years of authoritarian rule has destroyed Egyptian politics and civil society. He lamented the lack of freedom for political parties, the absence of a free press, and the suffering of 30-40 million people living in "inconceivable" poverty in slums. He argued that the population understands that the regime acts against the public interest by destroying the opposition, and perpetuating corruption and inefficiency. Harb suggested that the U.S. could encourage political reform by publicly backing the growth of independent media.

13. (C) Harb expressed anxiety over what he perceived as the country's current instability, commenting that "no one knows what will happen tomorrow if Mubarak dies or is incapacitated." Harb predicted chaos would follow Mubarak's death and that the military would need to intervene to restore order. He doubted the likelihood of a post-Mubarak leadership role for the Muslim Brotherhood. Harb commented that presidential son Gamal Mubarak is very unpopular, and opined that Gamal's allies in the NDP only pretend to support

him out of fealty to President Mubarak. Harb predicted that this support will evaporate once President Mubarak dies. Harb called for political parties to fill "the political vacuum" and create a tangible alternative to the regime.

¶4. (C) Founder of the independent newspaper "Al-Masry Al-Youm" and former Ghad Party member Hisham Kassem complained that Mubarak still operates with a military mentality and views any criticism from civil society as an "army private unacceptably upbraiding a general." He described the regime as being extremely sensitive to the perception of any threat, out of its own insecurity. Consequently, Kassem continued, the regime decided to destroy the Ghad party although Ayman Nour would only have won 15 percent of the popular vote in a free and fair election. Kassem called for an independent judiciary, a credible press and a viable parliament. Kassem revealed that he has "no illusions" of seeing democracy in his lifetime, but hopes to witness at least some kind of transition to a more open society. He opined that Mubarak ignores medium and long-term issues as "he's not sure if he'll be around," and was therefore unmoved by the U.S. cancellation of free trade agreement (FTA) talks because he estimated that the benefits of an FTA would have taken 5-7 years to accrue. Kassem commented that Egypt would need a post-Mubarak leader from the military, not a civilian, to impose order on any unrest. Kassem criticized himself and Ayman Nour for "pushing too hard" in 2004-5, confessing that "we could not have run the country even if we had won the elections." "2005 was the best year of our lives," he said, referring to himself and his fellow oppositionists, "Now we are back to square one."

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¶5. (C) Africa-Egypt Organization for Human Rights founder Engi Haddad identified corruption as the most powerful impediment to reform. Opining that the country's elite businesspeople are the "strongest potential liberals," she speculated that stopping corruption would drive a necessary wedge between the business community and the regime. She recommended an attempt to implement the UN Convention on Corruption as a tool to measure concrete improvements. Haddad called for progress on the rule of law in advance of a post-Mubarak transition. She termed current corruption as "unprecedented," as if the "oligarchs realize this is the end and want to take everything they can."

¶6. (C) The regime is currently in danger of not being able to continue putting food on the table for Egypt's citizens, Haddad warned, and she cautioned that the Muslim Brotherhood (MB) is already picking up the slack in providing money for social services. She alleged that the MB quickly provided for the victims of the September Moqataam rockslide in the absence of GOE action (ref A). In the current economic climate, Haddad asserted, civil society needs to focus on corruption issues affecting the economy, not political liberties. "What do the poor care about free speech when they can't eat?" she asked.

¶7. (C) Ghad Party Vice-President Wael Nawara assessed that political and economic conditions have improved since 2003, and he challenged Harb's assertion that Egypt now faces political instability. He described Egypt as an historically stable country. He encouraged the U.S. to consider how it can "rebuild leverage" to press the GOE to improve economic conditions and implement political reforms, such as an independent judiciary and a free press. He advised the U.S. to use positive incentives to influence regime behavior, as opposed to "sticks" such as conditionality, which he viewed as counter-productive. To "rebuild leverage," Nawara urged the U.S. to adopt a "more balanced stance" on the Middle East peace process and to move forward from mistakes made in Iraq.

He commented that popular Egyptian opposition to U.S. regional policies damages the credibility of liberal oppositionists who are closely associated with the U.S. Nawara expressed satisfaction with the Ghad party's showing

in the 2005 elections, and called for oppositionists to unite behind a clear reform strategy. He praised the growing role of Egyptian bloggers, and noted that liberals need to focus on achieving additional gains in the areas of independent media and political party freedom.

¶8. (C) Editor of the Al-Ahram "Democracy Review" journal, Hala Mustafa, opined that the 2007 constitutional amendments (ref C) and the current restrictions on press freedom constitute a GOE strategy to constrict political space in order to prepare for transferring power to Gamal Mubarak. She described the current political situation as "deteriorating," and claimed that the regime is running an intensifying media campaign to discredit her. She complained of conflicting signals from the U.S. -- "sometimes supporting the regime, sometimes encouraging reform." Mustafa asked why the U.S. has not spoken out on Egyptian succession when the GOE is waiting for a "green light" to install Gamal Mubarak.

¶9. (C) PDAS Feltman responded that it would be inappropriate for the U.S. to comment on individual successors to President Mubarak. We will continue to emphasize principles, such as freedom of expression and rule of law, not individuals. Feltman told the group that the U.S. wants both a strategic partnership with the GOE and a more open and progressive political and economic climate in Egypt.

¶10. (U) PDAS Feltman cleared this message.
SCOBAY